



# Harvard/Woodstock Enterprise Zone

McHenry County Administration Building,  
2200 North Seminary Avenue, Woodstock, Illinois 60098



## APPLICATION INSTRUCTIONS

*Please note: Upon submission, all information contained in the application documents becomes public record and is subject to public release through the Illinois Freedom of Information Act (5 ILCS 140).*

Application forms must be completed by the applicant and then certified by the Harvard/Woodstock Enterprise Zone Administrator. The Building Material Exemption Certificates (BMEC) must be issued by the Illinois Department of Revenue before you are eligible for sales tax exemption. Each contractor who is providing materials must provide and/or complete the BMEC application. Do not order or purchase building materials before the BMECs are issued.

### *Information and items needed to complete applications*

- *Approved building permit*
- *Name of business to be located within Enterprise Zone*
- *Project address*
- *Building Materials Exemption Certificate (BMEC) Application: Each contractor that will be purchasing building materials to be incorporated into real estate within the Harvard/Woodstock Enterprise Zone through rehabilitation, remodeling or new construction, is required to complete the provided form to receive exemption from Illinois sales tax. (Make a copy of the blank form for each contractor providing building materials which may be tax exempt.) You must apply to the Enterprise Zone Administrator to receive sales tax exemption from the Illinois Department of Revenue (IDOR). All information requested on the BMEC application form must be completed. These IDOR-issued certificates are required by state law. NOTICE: Each contractor and/or project owner who has been issued a BMEC by the IDOR, by law, must report the value of purchases made using the certificate number on each project. Reporting is January 1st through May 31st of each year for the previous year's purchases on the IDOR website: <http://tax.illinois.gov/Businesses/Incentives/>.*
- *Numbers of full and part-time employees at project address including construction jobs.*
- *Starting date & completion date. (The starting date must not be sooner than the approved date of the application.)*
- *Cost of remodeling, new construction, building materials, capital equipment and site cost and preparation.*
- *Company Federal Employer Identification Number (FEIN)*
- *Illinois Unemployment Insurance Number*
- *NAICS Number (<http://www.naics.com/search/>)*
- *Correct parcel number*
- *Enterprise Zone Fee: Cost of Building Materials (#3) X .005 (1/2%) (Minimum \$250 but not to exceed \$50,000).*

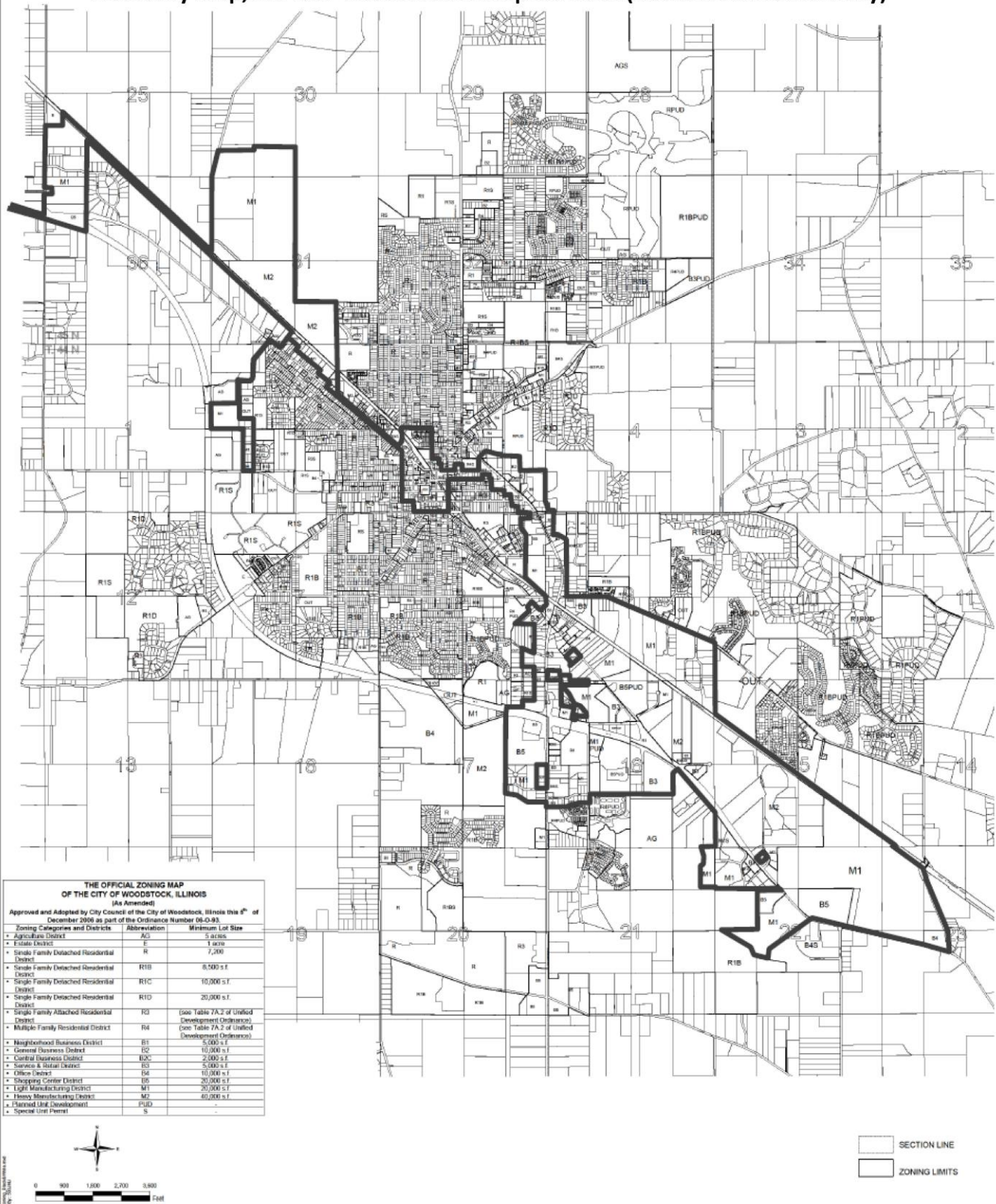
Please contact Charles Eldredge, Enterprise Zone Administrator, if you have any questions regarding this application.

Phone: 779.302.8533 Email: [charleseldredge@harvardwoodstockenterprisezone.com](mailto:charleseldredge@harvardwoodstockenterprisezone.com)

Address: Administration Building, 2200 North Seminary Avenue, Woodstock, IL 60098

# CITY OF WOODSTOCK, ILLINOIS

## Boundary Map, Harvard-Woodstock Enterprise Zone (Woodstock Portion Only)





# Harvard/Woodstock Enterprise Zone

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## PROJECT APPLICATION

PROJECT # \_\_\_\_\_ DATE#: \_\_\_\_\_

# will be issued by the Enterprise Zone Administrator upon approval

Name of Business located in Enterprise Zone: \_\_\_\_\_

Project Address: \_\_\_\_\_

Owner or Contact Person: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Cell: \_\_\_\_\_

Email Address: \_\_\_\_\_

Business Owner Name

(if different than Contact) or Company: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Cell: \_\_\_\_\_

Email Address: \_\_\_\_\_

Type of Business: \_\_\_\_\_ Commercial \_\_\_\_\_ Industrial

Product(s) or Service: \_\_\_\_\_

Estimated Date of Project Start\*: \_\_\_\_\_ Completion: \_\_\_\_\_

\*Date must not be earlier than certification date

**Estimated Cost of Project:** (Amounts for 1 and/or 2 must coincide with the building permit.)

**Abatement of real estate taxes will not be given over amount declared. By state law, a Tax Increment Financing District cannot receive real estate tax abatement.**

**Enterprise Zone Fee: Cost of Building Materials x .005 - Minimum fee is \$250 but not to exceed \$50,000.** Enterprise Zone Application Fee is based on cost of building materials for remodeling and new construction only, *see reverse*.

- |                                    |          |
|------------------------------------|----------|
| 1) Remodeling                      | \$ _____ |
| 2) New Construction Cost           | \$ _____ |
| 3) Building Materials Cost         | \$ _____ |
| 4) Capital Equipment               | \$ _____ |
| 5) Site (purchase and preparation) | \$ _____ |

**JOBS:**

Current Number of Full-time Equivalent Jobs \_\_\_\_\_  
(Full-time equivalent jobs are calculated by dividing the total number of hours worked by persons at the project site by 1,820 hours, whether salaried or hourly.)

Jobs retained due to project & certified by the Department of Commerce \_\_\_\_\_

Jobs created within one year due to project \_\_\_\_\_ Construction jobs at site \_\_\_\_\_

Description of project: \_\_\_\_\_

Federal Employer Identification Number (FEIN): \_\_\_\_\_

IL Unemployment Insurance Number: \_\_\_\_\_

NAICS Code Number: \_\_\_\_\_

Does this project involve a move from another location? ☐ Yes ☐ No

If yes, indicate city and state of previous location: \_\_\_\_\_

Signature: \_\_\_\_\_  
Project Representative Title Date

**A COPY OF THE APPROVED BUILDING PERMIT, PARCEL NUMBER OR COPY OF THE DEED, AND THE ENTERPRISE ZONE APPLICATION FEE MUST ACCOMPANY THE APPLICATION BEFORE THE PROJECT WILL BE APPROVED TO MOVE FORWARD WITH A BUILDING MATERIALS EXEMPTION CERTIFICATE APPLICATION TO THE ILLINOIS DEPARTMENT OF REVENUE.**

\*\*\*\*\*

*(To be completed by the Enterprise Zone Administrator)*

Township: \_\_\_\_\_ Tax Code: \_\_\_\_\_

Parcel number(s): \_\_\_\_\_

**Building Permit:**

Grantor \_\_\_\_\_ Number \_\_\_\_\_ Date \_\_\_\_\_

**Enterprise Zone Fee:**

\_\_\_\_\_ X .005 = \_\_\_\_\_

(Dollar Amount of Building Materials  
from #3 on front of application)

(Minimum \$250 but not to exceed \$50,000)

Project is: Accepted \_\_\_\_\_ Rejected \_\_\_\_\_

\_\_\_\_\_  
Signature of Enterprise Zone Administrator



# Harvard/Woodstock Enterprise Zone

## Building Materials Exemption Certificate Application

### Contractor's Instructions



**PLEASE NOTE:** If you have a contract and/or are going to be providing building materials for a project located within the Harvard/Woodstock Enterprise Zone, you must complete the Building Materials Exemption Certificate (BMEC) application for submission by the Enterprise Zone Administrator to the Illinois Department of Revenue (IDOR). Your BMEC will not be eligible for the project before the date that the project is certified by the IDOR. Once approved, the IDOR contacts the contractor via email with instructions on how to access the certificate. To qualify for sales tax exemption, each Enterprise Zone project coordinator must have their own BMEC issued by the IDOR before ordering or purchasing any building materials.

**\*\*Indicates completion by Enterprise Zone Administrator**

**Project/Company Owner Name and Project Address:** This is where the building materials will be used.

**Contractor's Business Name and Address:** Company name and mailing address – no P.O. boxes allowed.

**Contractor's Email:** Where instructions to retrieve approved BMEC will be emailed.

**Contractor's/Owner's FEIN:** An applicant without a Federal Employer Identification Number (FEIN) must go to the [Department of Revenue's secure website](#) and complete the application, including his/her Social Security Number. The Department will provide an Applicant ID, which the Enterprise Zone Administrator will use to complete the BMEC application.

**Contractor's Phone Numbers:** Provide both land line (if applicable) and mobile numbers.

<b>Contract information: EXAMPLE</b>	\$6,013,305.00	Contract amount
		Percentage of contract that consists of building materials qualifying for an exemption
	x 50%	
	\$3,006,652.50	
	x 6.25%	Local Tax Rate (point of sale/delivery)
	\$187,915.78	Estimated amount of exemption for purchased materials (sales tax exempted)

**Completion Date:** This is an estimated date for the completion of purchasing and/or ordering materials for your portion of the project. Please allow overage time to incorporate poor weather conditions and delays. If the BMEC is set to expire before the completion of the project, you must seek a renewal through the Enterprise Zone Administrator who submitted the original application.

**\*\*Certification Start Date:** To be completed by the Enterprise Zone Administrator. No BMECs will be issued prior to this date.

For further information, contact: Harvard/Woodstock Enterprise Zone Administrator Charles Eldredge  
Phone: 779.302.8533 Email: [charleseldredge@havardwoodstockenterprisezone.com](mailto:charleseldredge@havardwoodstockenterprisezone.com)  
Address: 2200 Seminary Avenue, Woodstock, IL 60098





# Harvard/Woodstock Enterprise Zone

## BUILDING MATERIALS EXEMPTION CERTIFICATION APPLICATION



(Only required for each vendor or contractor who is purchasing or ordering materials)

**PROJECT#** \_\_\_\_\_  
# issued by Zone Administrator

All items must be completed on this form before the Harvard/Woodstock Enterprise Zone Administrator will submit the Building Materials Exemption Certification (BMEC) application to the Illinois Department of Revenue (IDOR) for sales tax exemption for the contractor and/or project owner for the address declared on this application. Each contractor must have their own BMEC issued by the IDOR. NO BUILDING MATERIAL EXEMPTIONS ARE ALLOWED, BY LAW, BEFORE THE CERTIFIED DATE.

Project /Company Owner Name: \_\_\_\_\_

Project Address: \_\_\_\_\_

Contractor Business Name: \_\_\_\_\_

Contractor Address: \_\_\_\_\_  
Street Address Required (No P.O. Box) City State Zip Code

Contractor Email Address: \_\_\_\_\_  
Must have to apply

Contractor Phone: \_\_\_\_\_ Cell: \_\_\_\_\_

Contractor/Owner FEIN: \_\_\_\_\_  
*If you do not have a FEIN, you must go to the Illinois Department of Revenue website and apply for an ID# before this application maybe processed*

Contract Amount: \$ \_\_\_\_\_ Local tax rate: \_\_\_\_\_ %

Percentage of contract that consist of building materials qualifying for exemption: \_\_\_\_\_ %

Estimated amount of building materials for this project: \$ \_\_\_\_\_

Estimated amount of sales tax exemption for purchased materials: \$ \_\_\_\_\_

Contractor's Completion Date: \_\_\_\_\_ (Date declared will be expiration of Certificate)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

*Reporting requirements by law: All businesses or contractors with certificates issued must report the final value of purchases made using the certificate number for the project location listed on the certificate, at:*  
<http://tax.illinois.gov/Businesses/Incentives/>.

ENTERPRISE ZONE OFFICE USE ONLY: Certification Start Date: \_\_\_\_\_

Harvard/Woodstock Enterprise Zone Administrator: Charles Eldredge  
Phone: 779.302.8533 Email: [charleseldredge@harvardwoodstockenterprisezone.com](mailto:charleseldredge@harvardwoodstockenterprisezone.com)  
Address: McHenry County Administration Building, 2200 Seminary Avenue, Woodstock, IL 60098



# *Harvard/Woodstock Enterprise Zone*



## **TAX INCENTIVES**

**SALES TAX DEDUCTION ON BUILDING MATERIALS:** Building materials used for incorporation into projects in the Enterprise Zone are exempt from Illinois sales tax with a certificate issued by the Illinois Department of Revenue (IDOR). Certificates are applied for by the administrator of the Enterprise Zone where the building materials will be incorporated. In the Harvard/Woodstock Enterprise Zone, you must have a project application approved by the Enterprise Zone Administrator and a separate Building Materials Exemption Certificate (BMEC) form completed by each contractor and/or owners prior to the submission of a sales tax exemption request to the IDOR. These forms are available from the Enterprise Zone office. There is a 0.5% fee on the total of building materials cost for renovation and new construction (not to exceed \$50,000). *It is recommended to apply seven (7) days in advance of ordering or purchasing materials.*

The City of Harvard will refund an amount equal to its 1% local share of the sales tax on building materials incorporated into a project and purchased within the City of Harvard for a one-year period, starting with the effective date of the project. Documentation must be presented to the Enterprise Zone Administrator as proof of payment of local sales taxes.

**PROPERTY TAX ABATEMENT:** Improvements in the Harvard/Woodstock Enterprise Zone are eligible for real estate tax abatements as long as the property is not located within a Tax Increment Financing (TIF) District. Abatement amounts apply to increased assessed value of improvements. Abatements are granted by the City of Woodstock, the City of Harvard, and Harvard District 50. Abatements are calculated at 100% for four (4) years, 50% for an additional two (2) years and 25% for a final two (2) years. The Enterprise Zone Administrator will provide a tax abatement estimate upon request.

**DEMOLITION:** The following provision will apply to all projects involving demolition and new construction. Any project which involves new construction on a site which was previously occupied by a building(s) will receive the real estate tax abatement on a “net new” basis. That is, the increased assessment amount to be abated will be based on the most recent assessment of the property which includes the evaluation of the original buildings(s).

**INVESTMENT TAX CREDIT:** The Illinois Income Tax Act allows a 0.5% credit against state income tax for investments in qualified property placed into service within the Enterprise Zone. This credit is in addition to any other investment tax credit allowed under Illinois statute (consult a tax advisor).

**ENTERPRISE ZONE MACHINERY AND EQUIPMENT SALES TAX EXEMPTION:** Revenue Act 35 ILCS 120/1d-1f, as amended, allows a 6.25% state sales tax exemption on all tangible personal property which is used or consumed within an Enterprise Zone in the process of manufacturing or assembly of tangible personal property for wholesale or retail sale or lease, provided that the business enterprise is certified by the Department of Commerce and meets at least one of the following criteria: the project creates a minimum of 200 full-time equivalent jobs in

Illinois; the project retains a minimum of 2,000 full-time jobs in Illinois; or the project retains 90% of the existing jobs. This exemption includes repair and replacement parts for machinery and equipment used primarily in the wholesale or retail sale or lease and equipment, manufacturing fuels, materials and supplies for the maintenance, repair or operation of manufacturing, or assembling machinery or equipment.

**UTILITY TAX EXEMPTION/MACHINERY AND EQUIPMENT DEDUCTION:** Businesses which make an investment in an Enterprise Zone which creates a minimum of 200 full-time equivalent jobs or retains 1,000 jobs is eligible for tax exemption on utilities. Businesses which make an investment of \$5 million or more which creates at least 200 jobs or retains 2,000 or 90% of existing jobs is eligible for sales tax exemption on personal property used or consumed in the manufacturing process.

Application forms must be completed by the applicant and certified by the Harvard/Woodstock Enterprise Zone Administrator. All BMECs must be issued by the IDOR before you are eligible for sales tax exemption. Each contractor who is providing materials must provide a BMEC application to the Enterprise Zone Administrator. *Do not order or purchase building materials before state issuance of a BMEC.*

All Enterprise Zone projects must be certified by the Administrator prior to the start of construction. Building permits are required; there is an application fee.

**BUSINESS REPORT:** Businesses that receive incentives because they are located within an Enterprise Zone must file a business report with the IDOR. Each business that receives incentives must report the information the IDOR requests, and the IDOR will complete the incentive calculations for the business. Enterprise Zone businesses must also provide the Enterprise Zone Administrator with the information as required by the Illinois Enterprise Zone Act (20 ILCS 655/8.1). Reports are to be submitted online at <http://tax.illinois.gov/Businesses/Incentives/> by March 31<sup>st</sup> each year.

FOR ASSISTANCE AND TO APPLY, PLEASE CONTACT:

Charles Eldredge, Enterprise Zone Administrator  
Phone: 779.302.8533 Email: [charleseldredge@harvardwoodstockenterprisezone.com](mailto:charleseldredge@harvardwoodstockenterprisezone.com)

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